

The logo for twimbit, featuring the word "twimbit" in a white, lowercase, sans-serif font. The letter "t" has a small red dot above it, and the letter "i" has a small red dot above it. The background is a dark blue gradient with a glowing, particle-like human profile on the right side, composed of many small blue and white dots.

5 industry-leading AI use cases in customer experience

Edition 1

AI-driven customer experience trends for 2025

01

Hyper-personalization boosts revenue

- Retailers leveraging hyper-personalization can generate up to 40% more revenue than those without.
- 80% of consumers are more likely to buy from a company offering personalized experiences.

02

Emotional AI market growth

- The global market for emotional AI is projected to reach US \$91.67 billion by 2025.
- AI-powered emotion recognition can increase customer satisfaction by 40-50%.

03

Rise of voice search

- Voice search is expected to make up 50% of all searches by 2025.

Case study

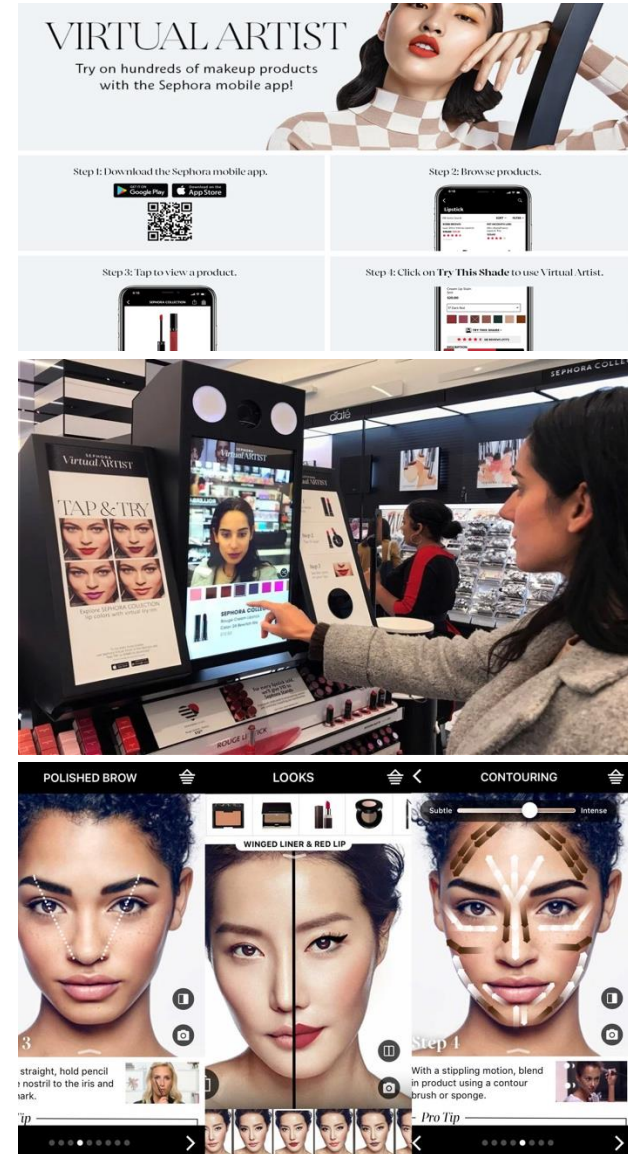
01

Sephora's AI-powered virtual experience



Business Case

- **Challenge:** Bridging online and in-store shopping experiences.
- **Goals:**
 1. Increase conversion rates
 2. Reduce returns
 3. Personalize recommendations
 4. Build long-term loyalty



Approach

AI-driven personalization:

01

Virtual artist tool:

ModiFace AR technology enabling 200 million virtual shade try-ons within 2 years of launch.

02

Beauty Insider AI engine:

Personalized recommendations based on skin concerns and purchase history via interactive quizzes and machine learning.

03

Color IQ technology:

Advanced skin tone matching system for precise product recommendations.

04

AI-powered loyalty program:

Data-driven personalization of rewards, offers, and promotions based on purchasing patterns and engagement metrics.

05

Tap & Try experience:

In-store virtual try-on featuring real-time AI facial feature detection for makeup visualization.

06

AI chatbot:

on website and mobile app.

Vendors & Technology

- Primary vendor: **ModiFace** (acquired by L'Oréal).
- Supporting technologies: **Salesforce Einstein** for product recommendations, **Dynamic Yield** for personalized recommendations
- Integration with mobile app and web platforms.

Organizational alignment:

- **Sephora Innovation Lab** (launched 2015) to develop & test digital experiences.
- Merged digital and physical retail teams for a 360-degree customer view.

Results



35% increase in online makeup sales with virtual try-ons.¹



Chatbots reduced response times by 40% and increased customer satisfaction.²



35% increase in skincare sales.³



6x ROI on Sephora SEA's investment in Dynamic Yield (personalization).⁴



Sephora Beauty Insider members spend 2-3x more yearly with AI.⁵

Case study

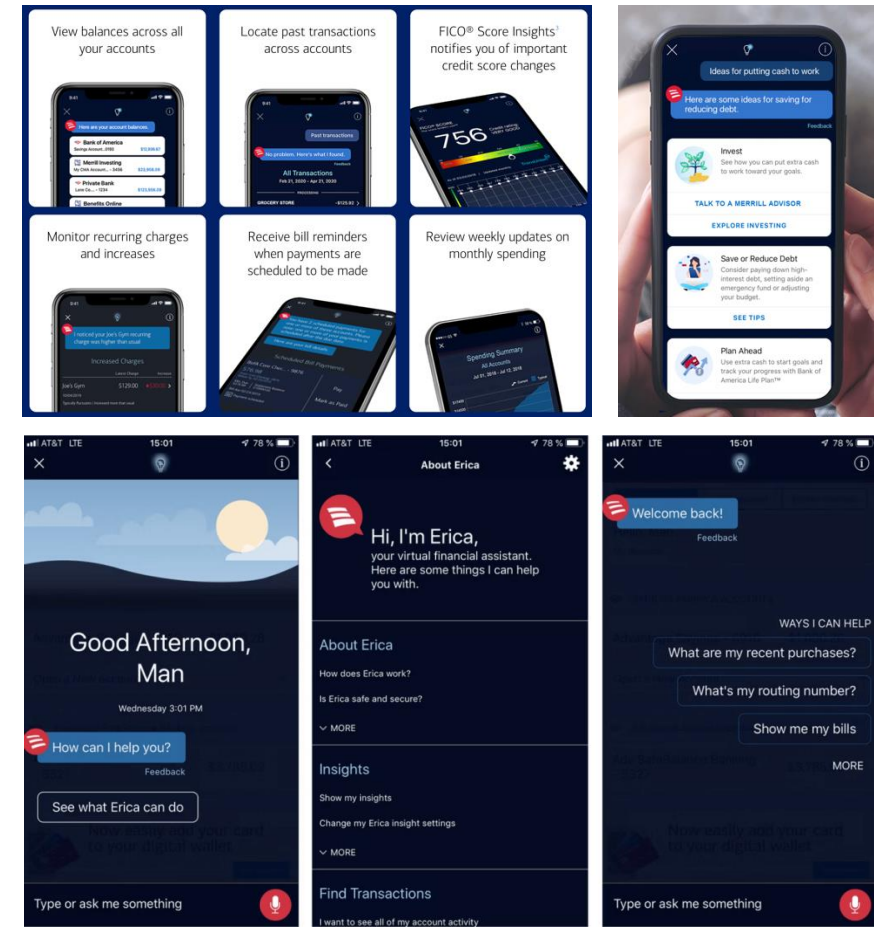
02

Bank of America's Erica AI assistant



Business Case

- **Challenge:** Reducing call center volume while improving customer service.
- **Goals:**
 1. Increase digital banking adoption,
 2. Improve financial guidance
 3. Reduce operational costs



Approach

AI-driven personalization:

01

Uses **Natural Language Processing (NLP)** to understand voice, text, and gesture commands.

02

Provides **personalised financial insights**, transaction alerts, and bill reminders.

03

Real-time, **human-like assistance** for customer queries.

04

Advanced security measures, such as biometric authentication and behavioral analysis.

05

Seamless **integration with** Bank of America's mobile banking **app**.

Vendors & Technology

- In-house development with support from **Kasisto** (conversational AI).
- NLP and speech recognition technology from **Nuance Communications**.
- Machine learning infrastructure hosted on **AWS** for scalability and data security.

Results



19% spike in earnings using conversational AI.



Total interactions surpassed 2 billion interactions as of April 2024.



Assisted over 42 million clients, averaging 2 million interactions daily.



Over 7,000 birthday wishes sent to clients since launch, adding a personal touch.



Addressed 800 million inquiries, delivering over 1.2 billion personalized insights and guidance.



More than 49,000 joke interactions, sharing humor with clients 30 different ways. Example: "What did the duck say to the bartender? Put it on my bill."



February 2024: Erica proactively alerted clients to Bank of America's new partnership with Starbucks, helping them maximize benefits on their coffee purchases.

Case study

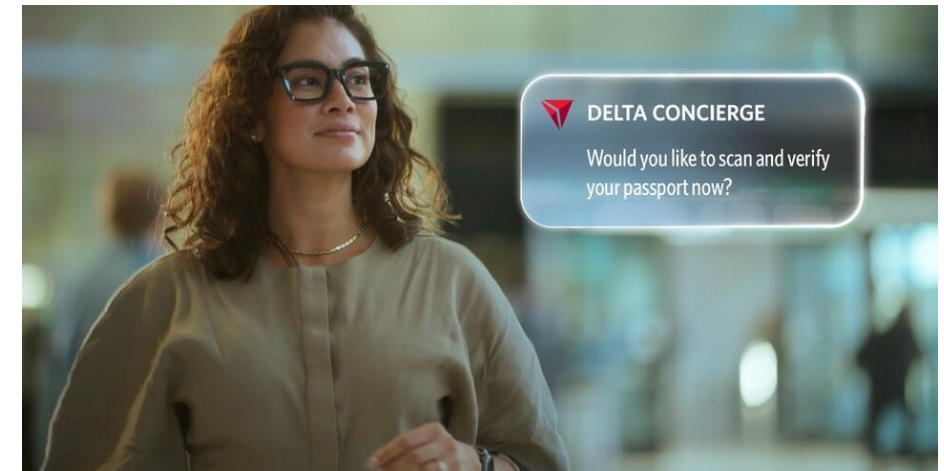
03

Delta Airlines' AI-powered customer service



Business Case

- **Challenge:** Managing service disruptions and high-volume customer inquiries.
- **Goals:**
 1. Reduce wait times
 2. Improve issue resolution
 3. Enhance customer satisfaction



Approach

AI-driven personalization:

01

Predictive maintenance

AI detects aircraft issues before disruptions and alerts maintenance teams for proactive repairs.

02

Virtual queuing & AI wait time predictions

provide real-time queue updates and prioritize urgent cases for faster responses.

03

NLP-Powered chatbots & AI assistance

handle common queries and assist call center agents with issue summaries to improve efficiency.

04

AI-assisted rebooking & service recovery

suggests alternative flights during disruptions, allowing instant rebooking via the app or website.

05

Integration with call centers & customer support

analyzes customer concerns and suggests responses, reducing call center workload.

06

Personalized customer experience with AI

predicts customer needs and provides tailored flight recommendations, alerts, and loyalty offers.

Vendors & Technology

- **IBM Watson AI** for predictive analytics and service disruption management.
- **Genesys Cloud CX** for AI-driven customer service automation.
- **Custom machine learning models** trained on flight operations data to predict delays and disruptions.

Results



Delta's Operations and Customer Center (OCC) real-time monitoring reduced flight delays by 20%.¹



AI-driven maintenance with 95% accuracy rate, cut cancellations from 5,600 in 2010 to 55 in 2018.²



The "Ask Delta" chatbot reduced call center volumes by 20%.³



AI-powered RFID technology improved baggage accuracy to 99.9%, minimizing lost luggage.⁴



AI-enhanced workflows made Delta the sixth-best global employer.⁵



AI-driven strategies improved on-time performance by 15% year-over-year.⁶



AI-powered disruption alerts and in-app compensation increased customer satisfaction by 18%.⁷



AI personalization in entertainment, meals, and travel updates raised passenger satisfaction by 35%.⁸

Case study

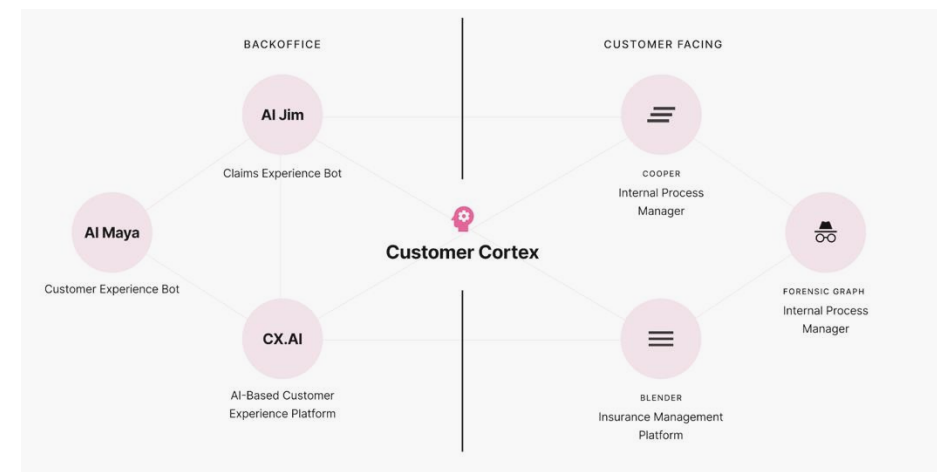
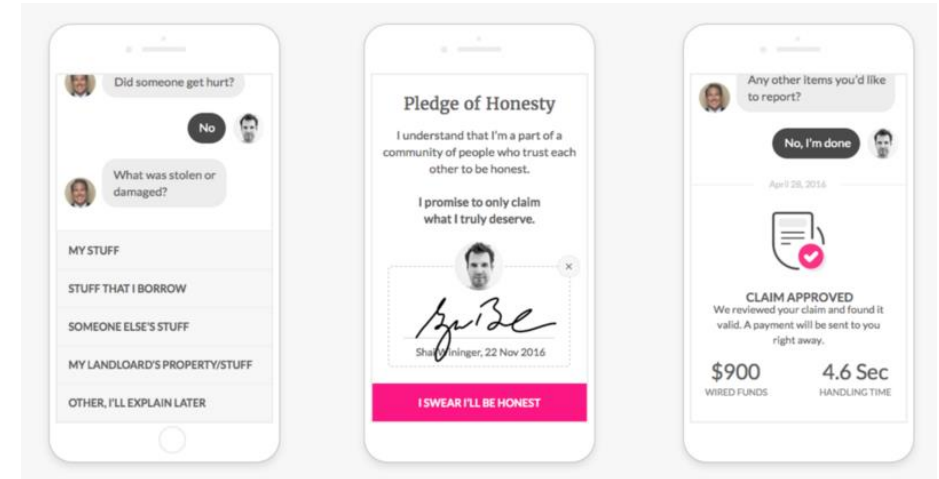
04

Lemonade insurance's (U.S.) AI claims processing



Business Case

- **Challenge:** Traditional insurance claims processing is slow, manual, and prone to inefficiencies, leading to poor customer experience and higher operational costs.
- **Goals:**
 1. Reduce claims processing time
 2. Enhance fraud detection
 3. Improve customer satisfaction
 4. Lower operational costs for better scalability



Approach

AI-powered claims processing system:

01

Jim AI:

Guides customers through the claims filing process (FNOL) via chatbot.

02

AI Jim:

Detects fraud and analyzes claims, flagging suspicious cases.

03

Maya AI:

Recommends policies in real time based on customer needs.

04

CX.AI:

Automates interactions, policy management, and customer support.

Vendors & Technology

- **Proprietary AI system** built on **TensorFlow** for deep learning-based claims processing.
- **Computer vision technology** from **Google Cloud Vision API** to analyze document authenticity and damage assessment (e.g., analyzing photos of car accidents or property damage).
- **Integration with Lemonade's mobile** app for instant claim submission via a user-friendly interface.

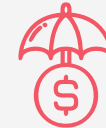
Results



Lemonade's AI handles approximately 40% of claims instantly, without human involvement.¹



Claims processing time reduced from weeks to seconds (World record: 3 seconds). Additionally, processed a claim in as little as 2 seconds in the UK.²



AI Jim processed nearly 20,000 claims with US \$2.5 million paid without human involvement.³



Lemonade's app with claims rating of over 4.9 out of 5, indicating high customer satisfaction.⁴



Lemonade's AI enhances fraud detection with anti-fraud algorithms.

Case study

05

Starbucks' deep brew personalization



Business Case

- **Challenge:** Delivering personalized experiences at scale across 30,000+ locations.
- **Goals:**
 1. Increase average order value
 2. Improve customer retention
 3. Optimize operations

Starbucks Digital Flywheel

Rewards
The most compelling rewards program with everyday relevance

Personalization
Offers, communications and service tailored to individual customers

Payment
The easiest, most sensible ways to pay at Starbucks and beyond

Ordering
The fastest, and most convenient way to order

WHERE DEEPBREW DRIVES ELEVATED EXPERIENCES



MOBILE PAY

Leverage rapid A/B testing to improve recos



DIGITAL MENU BOARD

Leverage inventory data



DRIVE THRU

Leverage upsell and cross sell modifications



VOICE ORDERING

Seamless next generation order methods



Approach

Deep Brew AI platform:

01

Personalized recommendations:

Utilizes machine learning to analyze over 17 million app users data, providing individualized drink and food suggestions through the Starbucks mobile app.

02

Behavioral analysis:

AI examines purchasing patterns, such as the finding that 43% of tea drinkers prefer unsweetened tea, allowing Starbucks to tailor offerings accordingly.

03

Predictive inventory management:

Employs predictive analytics to forecast product demand, optimizing inventory levels and reducing waste.

04

Operational optimization:

Enhances labor scheduling and supply chain efficiency by predicting store traffic patterns and inventory needs.

Vendors & Technology

- **Microsoft Azure** AI & Machine learning.
- In-house development team for proprietary AI algorithms.
- **POS system integration** for real-time order insights.

Results



AI-driven recommendations boosted average customer spend by 15 to 20 percent¹.



Predictive analytics cut inventory waste by 30 percent².



Personalization improved customer satisfaction and loyalty.



Automation freed staff to focus on better customer service.



Innovating experiences
